

**Bulletin No. 68-4**

**GROUP INSURANCE—GENERAL LINES**

October 22, 1968

There is no provision in the Idaho Code for the writing of insurance on a group basis, with the exception of life and disability coverages.

The attention of the Department has been called to several instances where General Lines business has been, and is being, illegally solicited in this state on a group basis. Those of which we have knowledge have been asked to cease such type of operation in Idaho. Any others in existence or under consideration, upon receipt of this bulletin, are to be terminated immediately.

The payment of earned dividends to individual participating policyholders appears to be in order if these are declared by the governing board of the company involved and they have been distributed fairly according to a resolution which the company has on record in its proceedings. It is, of course, unlawful to guarantee a dividend or to offer same as an inducement to buy coverage. The payment of dividends to third parties by a company is not considered in the best interest of the insuring public at large.

John R. Blaine  
COMMISSIONER OF INSURANCE

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